

Women tend to live longer than men.

The majority of women's Social Security benefits are based on their husband's earnings, while less than 5 percent of male Social Security beneficiaries depend on their wife's earnings.

Finally, women continue to have lower lifetime earnings than men because, disappointingly, women still earn less than 80 cents on the dollar compared to men, and they are more likely to take time out of their careers to raise a family.

Therefore, any change to Social Security will have a much more powerful impact on women than it will on men.

The administration has tried to instill a sense of urgency for making radical changes to Social Security. I cannot emphasize this enough, there is no crisis.

Despite the cries from the Bush administration, Social Security is not in crisis, though some changes are needed to strengthen its long-term stability.

Based on demographic projections, including the retirement of the baby-boomer generation, there will be more retirees seeking benefits and fewer workers paying payroll taxes. Even so, Social Security is not about to go belly up.

Using very conservative predictions of U.S. economic growth, the Social Security Board of Trustees estimates that promised benefits will continue until 2042, even if no changes are made. Recipients would continue to get 73 percent of their benefits for at least another three decades after that—again, with no dramatic changes to the current system.

To ensure that benefits continue at the current level until 2080, the Trustees say we need \$3.7 trillion.

The nonpartisan Congressional Budget Office, which is headed by a former Chief Economist of President Bush's Council of Economic Advisers, says the Trustees are underestimating economic growth.

They believe that only \$2 trillion is necessary to close the gap without any revisions to the program. This means that recipients would be able to get all their promised benefits until 2052 when they would draw 78 percent of their benefits until at least 2080.

These are big numbers, but we can ensure that the fund remains solvent much further into the future by making some balanced, long-term changes. We could do this by repealing President Bush's tax cut for those earning more than \$200,000 and transferring the revenues to Social Security, which could save about \$2.9 trillion over 75 years; raising the cap for payroll taxes gradually from the current \$90,000 to \$143,000, which could provide up to \$1.6 trillion over 75 years; or asking the Social Security Trustees to present Congress with options for updating the system periodically, which Congress would then vote up or down.

These proposals, and others, deserve careful study so that we fully under-

stand the costs and benefits of each. I deeply believe that our Nation should take the time to do this analysis instead of rushing headlong into one plan or another.

It is apparent that change is needed in the system, though not necessarily the fundamental and dramatic change that the President argues we need in the form of private accounts.

But even the President's own advisors acknowledge his proposal would do nothing to address the Social Security shortfall.

In a leaked White House e-mail, Peter Wehner, one of the President's principal advisors, stated "we simply cannot solve the Social Security problem with Personal Retirement Accounts alone."

In fact, establishing these private accounts will drain an estimated \$1 trillion to \$2 trillion from the Social Security Trust Fund in the first 10 years and more than \$4 trillion in the following decade.

Too many retirees depend on Social Security as their main source of income for us to rush into its reform without serious consideration of what is best to save the system for future generations of workers.

Mr. President, the advances of women in the workplace are a big reason for the great success of Social Security. When Congress takes up this issue, we must not forget how important this program is, especially to the women who have helped it thrive. It is a source of dignity, it is earned and it is a safety net for these women and it cannot be abandoned.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Madam President, how much time is remaining on our side?

The PRESIDING OFFICER. There is 2 minutes remaining.

EXTENSION OF MORNING BUSINESS

Ms. MIKULSKI. Madam President, I ask unanimous consent that morning business be extended 10 minutes, equally divided between the majority and minority.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Ms. MIKULSKI. Madam President, I now yield 7 minutes to the Senator from New York State, Mrs. HILLARY RODHAM CLINTON, a long champion of the rights of women, and the rights of the elderly.

The PRESIDING OFFICER. The Senator from New York.

Mrs. CLINTON. Madam President, I thank my colleague, the woman we call the dean of the women in the Senate.

Mrs. CLINTON. Madam President, we are here on the floor this morning, after last night's State of the Union Address, to begin what is going to be a debate about the future of Social Security.

Now, last night we did not receive any details from the President, and we do not know exactly what the President intends to propose. But based on the reports in the press and some of the briefings coming back that Senators have held with administration officials, there seems to be an expectation that the President will do several things.

First, launch a very aggressive campaign, using every tool at his disposal, which is considerable, to persuade the country that Social Security is facing an imminent crisis, and that the responsible course of action is to do something, preferably what the President will recommend, and that the irresponsible course of action is to somehow argue with or question this presumption of there being a crisis.

Secondly, it appears the President's plan will include privatization. Now, I understand the White House has sent out the word they do not want to use that word anymore, but let's not be fooled. What they are attempting to do is take a Social Security system that has worked for generations of Americans and begin the process of privatizing it. They can call it personal accounts, they can call it ownership, they can call it wealth creation, they can call it whatever they want to call it, but the bottom line is this will be a plan to begin the privatization of Social Security.

And thirdly, it appears the administration will attempt to finesse, if not downright conceal, the real costs of their plan—in benefit cuts, in additional borrowing, and increasing the debt facing our Nation.

So this will be a generational debate. I regret that because I think there are other ways to deal with some of the questions that are raised about the future of Social Security.

I think we could do what was done under President Reagan, who showed great leadership in bringing together a bipartisan group which came forward with recommendations at a time when Social Security truly was facing a crisis. People of good faith on both sides of the aisle came together, agreed upon the facts, did not try to spin, did not try to embroider, did not try to create a sense of hysteria, but, in a very businesslike, professional manner said, "What are the facts?" and then came up with solutions to the problems faced in 1983. We should be doing the same.

I earnestly hope the President would adopt that model of President Reagan. He often refers to President Reagan. Here is one instance where I think everyone can salute the leadership President Reagan showed.

Those who support private accounts say they are necessary because Social Security faces what they call a crisis and is on the verge of financial collapse. Supporters of privatization say the way to avoid this collapse is by carving private accounts out of the system.

This is not only a scare tactic, which I deplore and regret, but it is wrong on

two counts. First, there is no imminent collapse of the Social Security system. And I want to assure everybody who is a faithful C-SPAN watcher out there—and I know there are millions of you—tell your friends and neighbors: Do not be misled. There is not any danger of an imminent collapse of the Social Security system.

Secondly, and equally important, privatization makes the challenge of fixing the problems Social Security faces decades from now more difficult, not easier, to solve.

Now, let's be clear. Social Security does have a financial challenge that does need to be addressed, but the fact remains that program will continue to run annual surpluses for decades to come and can pay full benefits until between 2042 and 2052. After that—and I won't be around for that, but hopefully my daughter and everyone else's children and these young pages will be—Social Security still will not be bankrupt because payroll taxes coming into the system will be enough to pay almost 80 percent of the benefits promised today if we do nothing to fix any problems so that we can provide whatever the 100-percent benefit level would be in 2052.

So I believe Social Security may require some action to ensure that it remains strong, but it does not require fundamental changes. I would strongly caution against this "medicine" the President is prescribing. It will make the patient, who is well, sick. It will undermine the long-term health and quality of this remarkable achievement of the 20th century. Because, after all, Social Security is the largest source of retirement income in the United States. For 6 out of 10 seniors, it provides half or more of their total income.

My mother was born in 1919. I hope she does not mind me telling everybody. Let's remember that before the enactment of Social Security, more than 50 percent of the Nation's elderly lived in poverty. We are talking about destitute poverty. Today, only 8 percent of seniors live in poverty. Let us also not forget that it is women like my mother who constitute the majority of Social Security beneficiaries: approximately 60 percent of Social Security recipients over the age of 65, and roughly 72 percent of those over 85. In my State of New York, more than 1.6 million women receive Social Security benefits.

The PRESIDING OFFICER. The time controlled by the Democrats has now expired.

Mrs. CLINTON. Madam President, I ask unanimous consent for 2 more minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mrs. CLINTON. Thank you, Madam President.

So you can see why we have come to the floor today to talk about the way this affects women, because among el-

derly widows, such as my mother, Social Security provides, on average, nearly three-quarters of their income. Four out of 10 widows rely on Social Security to provide 90 percent or more of their income.

Now, we heard the President say last night that people over 55 need not worry. Well, what about people between 20 and 55? What about the 50-year-old woman who has paid into Social Security for the last 30 years? What about the 40-year-old woman who has paid into Social Security to ensure the retirement security of her mother and expects the same from her daughter? These are very important questions because they go to the heart of our intergenerational compact.

So this is the first of what will be a long and very active debate. Let us hope at the end we conclude that we should follow President Reagan's example, swallow some medicine that will not kill the patient, work in a bipartisan manner, and preserve Social Security for years to come.

Madam President, I thank my colleague from Maryland.

EXTENSION OF MORNING BUSINESS

Ms. MIKULSKI. Madam President, I ask unanimous consent that morning business be extended for the majority for 2 minutes, and I thank everyone for their graciousness in extending morning business. I appreciate that.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Utah.

STATE OF THE UNION ADDRESS

Mr. BENNETT. Madam President, the State of the Union Message has become a great moment in American political theater. Originally, State of the Union Messages, which are called for in the Constitution, were submitted to the Congress in writing. Perhaps it is a demonstration of the fact that we have gotten into the world of modern communications that it has now become not just a presentation to the Congress, but, through the medium of television and radio, it has become a speech to the Nation.

So the Nation gathers around electronically to listen to its elected leader describe what is going on in the country and in the world. We had that experience last night. Last night's was one of the better State of the Union Messages we have had.

In today's world we have instant polling, we have instant results. This morning's hotline reports there are two polls out, one saying that 86 percent of those who viewed the speech liked it; the second poll—CBS, less favorable to the President—says it was only 80 percent of the people who viewed the speech liked it. And according to the Gallup poll, 77 percent of those who liked it now believe President Bush is leading the country in the right direction.

This is a home run, for a speech to have that kind of a reaction and make that kind of an impact on those who listened to it. It was a departure, in my view, from the traditional format that has settled in on State of the Union Messages—not a complete one but a partial departure in that State of the Union Messages have become laundry lists where Presidents have made a one-sentence or one-paragraph reference to the issues that are of great importance to a variety of special interest groups, so that each member of a special interest group can wait anxiously in the hope his or her moment will come when the President will say something nice about what he or she thinks is important.

There was some of that in the speech last night. You cannot have a modern State of the Union Address without it. But there was far less than we usually see because last night's speech was primarily a thematic statement of the President and his world view, both domestic and international.

As I listened to the speech unfold and caught that theme, I realized this is a President who has a truly broad and far-reaching world view.

His primary focus was on the future. His primary concern, both domestic and international, was on the benefit of what we might do that would accrue to our children and our grandchildren.

We have had a lot of conversation so far about Social Security. The President did spend a good deal of time on Social Security. While I am praising the President, I will join with my friends on the Democratic side of the aisle to say that I think he made one mistake in his presentation. He used a word which, if I had been in conversation with him and his speechwriters, I would have recommended he drop. The word was "bankrupt." The Social Security system will not go bankrupt.

If we do nothing, what will happen if we follow the impulse of those who say there is nothing that needs to be done will be that when the account balances currently listed under the heading of the Social Security trust fund run out, there will still be money coming in in the form of payroll taxes. It will simply not be enough to cover the obligations going out that have been laid there. So the Social Security Administration will have to adopt some kind of strategy to deal with that. Maybe it will be like the gas lines. If your birthday is in an even numbered year, you get a check this month. If it is an odd numbered year, you have to wait until next month. Maybe it will be some kind of alphabetical choice, or maybe everybody will just be told: We can't send out any checks this month. Wait another 30 days and we will do the best we can.

By technical accounting terms, that is not bankruptcy, but by any standard, that is not a result we want. So while I would say to the President, don't use the term "bankrupt" because, as an accounting term, that is